

SECTION 132 OF PA 11-80 NEEDS TO BE MODIFIED

Connecticut Public Act 11-80

An Act Concerning the Establishment of the Department of Energy and Environmental Protection and Planning for Connecticut's Energy Future

Passed in the Senate and House Legislature in June 2011

This bill provided some of the most significant changes to Connecticut energy policy since 2007 and had the overwhelming support of both the House and the Senate. Our group praises the vast majority of the bill's modifications to current policy as well as new policy components. However, the \$500,000 cap in Section 132 will inadvertently cause severe job cutbacks in the upcoming months in our industry and has had the unintended consequence of discriminating against Connecticut residents who heat with oil.

The section reads as follows:

Section 132, (NEW) (Effective July 1, 2011) Each electric, gas or heating fuel customer, regardless of heating source, shall be assessed the same fees, charges, co-pays, or other similar terms to access any audits administered by the Home Energy Solutions program provided the costs of subsidizing such audits to ratepayers whose primary source of heat is not electricity or natural gas shall not exceed five hundred thousand dollars per year.

The section has holds the Connecticut Energy Efficiency Fund to \$500,000 annually to support the oil heat participants in this program, which we cannot support as its immediate cause will be the laying off of over 300 our employees in the energy efficiency industry.

- **Home Energy Solutions** is the flagship residential program of the Connecticut Energy Efficiency Fund. The program is funded through the system benefit charge on all electric customers' bills for both United Illuminating and Connecticut Light and Power. In addition, the gas utilities in Connecticut (Yankee Gas, Connecticut Natural Gas and Southern Connecticut Gas) fund the program using ratepayer dollars as well.
- **54% of the homes in CT heat with oil** and oil heat customers are also electric ratepayers and pay into the Home Energy Solutions fund. Clearly the intention of Section 132 could not have been to curtail energy efficiency services to 54% of the homes in CT at a time when oil costs are at their highest.

In 2011, the fund provided oil heat participants with over **\$8 million dollars in energy efficiency** program funds (ARRA funds and RGGI funds were also used) however, Section 132 would now require that the program cease serving oil heated homes once \$500,000 has been expended, a mere 6% of the customer demand of this year.

We are seeking your support to REMOVE the \$500,000 cap in Section 132 to allow for JOBS TO BE SAVED. Removal of the section will NOT impact the state budget at all. However, if it remains, the layoffs will occur and hundreds of CT residents will be added to the unemployment costs.

Our companies have spent the last several years building up the energy efficiency industry in the state and the cap imposed by Section 132 would cause the elimination of hundreds of jobs.

Totals represent data from 9 Home Energy Solutions Companies							
2009 Employee Level low	2009 Employee Level high	2010 Employee Level low	2010 Employee Level high	2011 Employee Level low	2011 Employee Level high	2012 Projected Employee Level w/minimal oil funding**	2012 Projected Employee Level w/Oil funding*
93	138	166	240	156	237	139	273

The data above only represents 9 of the 25 Home Energy Solutions vendors. We estimated that over 300 employees will lose their job if the cap in Sec.132 is not removed.

The following small business companies, who are authorized vendors for the Connecticut Energy Efficiency Fund Home Energy Solutions program, thank you for your time and consideration of our request. Please feel free to contact us at anytime with questions or clarification.

Company	Address	Town	website
ECOSMART HOME SERVICES BY R. PELTON BUILDERS	2590 Berlin Tpke	Berlin	www.ECOSMARTCT.COM
LB&O, LLC - Mr. Handyman	2480 Black Rock Turnpike	Fairfield	www.mrhandymangreen.com
Wesson Energy Inc.	165 Railroad Hill St.	Waterbury	www.wessonenergy.com
Lantern Energy	33 Wisconsin Ave	Norwich	www.lanternenergy.com
New England Conservation Services, LLC	15 Lunar Drive	Woodbridge	www.neconserves.com
Victory Energy Solutions	One Hartford SQ	16-206	www.victoryenergysolutions.com
New England Smart Energy Group	34 Sherman Court	Fairfield	www.ne-smartenergy.com
Competitive Resources, Inc.	60 Church Street	Yalesville	www.CRJ-Energy.com
Hoffman Energy	56 Quarry Rd.	Trumbull	hoffmanenergyaudit.com